



# CITY OF NEWPORT BEACH ECONOMIC DEVELOPMENT COMMITTEE

## MINUTES 11-17-10

Minutes of the Economic Development Committee held at the City Council Chambers, City of Newport Beach, on **Wednesday, November 17, 2010.**

### Members Present:

X	Mike Henn, Chairman	A	David Hsiang
E	Keith Curry, Mayor	X	John Hyatt
E	Steve Rosansky, Council Member	X	Lloyd Ikerd
X	Robert Hawkins, Planning Commissioner	X	Brion Jeannette
X	Mike McNamara, Vice Chairman	X	Debra Legan
X	Craig Batley	X	Richard Luehrs
X	Seymour Beek	X	Scott Palmer
X	Jeffrey Cole	X	John Robinson
A	Steven Coyne	X	Gregg Schwenk
X	Sheri Drewry	X	Gary Sherwin
X	Jennifer Gonzalez	X	Kim Van Natta
X	Arlene Greer	X	Gay Wassall-Kelly
X	Mark Hoover		

### Staff Representatives:

X	Leigh M. De Santis, Economic Development Administrator		
X	Katie Bowden, Economic Development Coordinator		

### Guests Present:

Philip Bettencourt	
Bill Kelly	

### Roll Call and Introductions:

Chairman Henn called the meeting to order at 8:05 am and began self-introductions of the assembled members, staff and guests.

### UPDATES AND ANNOUNCEMENTS

- Chairman Henn announced that the sale of bonds for the Civic Center would close the following day. The City is in the process of finalizing the pricing transaction for financing. The bonds will cover the cost of the Civic Center and other projects that need financing such as city parks and the dredging project. The City's debt payments

will not exceed 5% of the City's general fund expenditures. He stated that the bids for the Civic Center will go out in the next few weeks.

- Chairman Henn stated that the City has a AAA bond rating by all "big 3" bond rating, the only Orange County city to receive this rating.
- Scott Palmer announced the 30<sup>th</sup> annual Corona del Mar Christmas Walk will take place on December 5<sup>th</sup> from 11 am to 5 pm.
- Chairman Henn announced that Councilman Webb is finishing his walk of Newport Beach. He will walk his last mile on Saturday from Seashore to the Newport Pier.
- Gary Sherwin announced that the tourism industry had a good year. Average Daily Rates at hotels were flat, but the volume was up by 10%. RevPar was up 15% and TOT was up 15 to 20%. In addition, Pelican Hill's business is picking up.
- Lloyd Ikerd announced that the EDC subcommittee on business licenses had a good meeting with staff. The subcommittee will continue its work before presenting a report to the full committee.
- Phil Bettencourt announced that Banning Ranch tours are currently available.
- Kim Van Natta announced the Fashion Island tree lighting will occur on Friday and Saturday at 5:30 pm.
- Richard Luehrs announced the 102<sup>nd</sup> Annual Christmas Boat Parade will be held December 15-19, starting at 5:30 pm each night. Fireworks will occur at 9 pm on the 19<sup>th</sup>.
- Seymour Beek announced the Grand Opening of the Rhine Channel dinghy dock at 5 pm on Tuesday.

## **PENDING PROJECTS UPDATES**

- Staff announced that the Lido Marina Village land use concepts will be presented and discussed at the November 23<sup>rd</sup> Council Study Session.
- Staff announced that the Civic Center café RFP has been issued. When asked if Starbucks was solicited, Staff responded that local independent operations were sent the RFPs by mail, but that the RFP was open for all to respond.
- Staff announced that the location and date was changed for the January "Helping 100 Businesses for 100 Days" kick-off event by OPIS Network. The event will now be held on Saturday, January 22, 2011 at OASIS Senior Center, beginning at 8:30 am.

## **DISCUSSION ITEMS**

### **1. Minutes of October 20, 2010.**

Arlene Greer made a motion to approve the minutes, and Jeff Cole seconded the motion. The minutes were approved unanimously.

### **2. Discussion of SCAG request to adopt a Business Friendly Resolution.**

Leigh DeSantis explained the history of the request. Staff and Chairman Henn revised the resolution provided by SCAG somewhat to show what the City has already done to be a "Business Friendly" city. Those efforts include a policy of returning phone calls the same day, offering free all department preliminary code review meetings of the Development Review Committee to assist applicants in preparing complete development applications, a commitment to process all completed planning and

building applications within 30 days, and the creation of a Community Development Department to create a seamless process for applicants. In addition, the 2010 “Cost of Doing Business” Survey by Kosmont Rose listed Newport Beach as being a “very low cost” city in which to do business. Since setting the EDC agenda, staff was informed by the City Manager that the City has already adopted a similar resolution for SCAG. Thus, the adoption of the proposed resolution would be dropped from the Council agenda.

Craig Batley commented that it would be nice to see a comparison study between all Orange County cities regarding City permitting requirements. He stated that though the City’s fees may be low, it was his experience that the City’s requirements made development more costly in the long run. Brion Jeannette shared that the City’s new requirement for MEP drawings for residential projects was an example of increased costs related to the need to secure additional consultants. John Hyatt agreed, commenting that his energy-efficient/ earthquake-ready residential building project required the retainer of additional consultants in order to build to the required standards. Scott Palmer suggested forming a committee of local architects to share their experiences with the City so that this could be discussed and possibly improved. Chairman Henn stated that this was part of the work that the interim Director of the Community Development Department, Joel Fick, was trying to understand. He suspected that Mr. Fick had formed, or would be forming, a similar committee to address these issues.

Robert Hawkins stated that he felt the City should spend the \$600 to purchase the full Kosmont Rose study. He asked staff to research the benefits, if any, of purchasing the study and report to the EDC at their December meeting.

### **3. Presentation on Research of “Shop Local” Campaigns**

Katie Bowden gave a presentation overview of various “shop local” campaigns throughout the country. These campaigns generally fall into one of three types: “think local first” campaigns, local VIP/discount card programs, and “rediscover” your town/city campaigns. Ms. Bowden explained the pros and cons of each type of campaign and gave a report on the successes and “lessons learned” of the Corona del Mar VIP Card program sponsored by the Corona del Mar BID and Chamber of Commerce.

Staff asked the EDC to indicate their interest in pursuing a particular type of “shop local” campaign. Gary Sherwin felt that Newport Beach residents already have a lot of pride in their community and that is reflected by their spending habits. Lloyd Ikerd mentioned a “SHOP” sign program that was successful in another community. Seymour Beek commented on the “green” aspects of a shop local campaign. It was suggested that staff contact some of the cities that have launched these programs to determine whether they’ve been effective or not. Jennifer Gonzales made a motion to oppose directing staff to develop a shop local campaign, as she felt it was not worth City staff time and resources. Robert Hawkins seconded the motion. After discussing, the motion passed with a vote of 8 to 5, with one abstaining. The EDC concluded that if a campaign was warranted it ought to come from the businesses or BIDs rather than the City

Richard Luehrs stated that the Chamber is looking into the benefits of launching a similar program with the Chamber's resources. He will report back to the EDC on the direction the Chamber's Board takes on launching a shop local campaign.

#### **4. EQAC Representative's Report**

Arlene Greer reported that EQAC's November meeting was cancelled. Their next meeting will take place on December 20<sup>th</sup>, when the Committee will hear a presentation on composting.

#### **ITEMS FOR A FUTURE AGENDA**

- Reconsideration of the need for an Executive Committee of the EDC
- The Lido Marina Village land use planning alternatives

#### **PUBLIC COMMENT**

- Robert Hawkins requested a report at the December meeting to address the basis for a mooring fees increase. Chairman Henn stated that he would give the report at the next meeting and requested that the November 23<sup>rd</sup> staff report on the subject be distributed to the EDC. Chairman Henn stated that the fees had not been increased since 1996 and that the fees would be tripled from \$800/year to \$2400/year. In addition, the City will consider taking full control of transfers. A 5-year phase-in period has been proposed to allow existing mooring holders to adjust to the new rates.
- Robert Hawkins announced that the EDC's business license subcommittee will be holding a meeting immediately after this meeting.
- Mike McNamara requested an update on the Water Taxi Committee's next steps.

#### **ADJOURNMENT**

Chairman Henn called for the meeting to be adjourned at 9:20 am.